

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MISSOURI

FACT SHEET #6 COSTS AND FEES OF ALTERNATIVE DISPUTE RESOLUTION (ADR)

WHAT ARE THE COSTS OF ADR? Unless otherwise agreed to by all parties or ordered by the court, one-half the cost of the neutral's services shall be paid by the plaintiff(s) and one-half by the defendant(s), at the rate contained in the neutral's fee schedule filed with the Court. A neutral shall not charge or accept in connection with a particular case a fee or thing of value from any source other than the parties.

HOW ARE COSTS DISTRIBUTED WHEN THERE ARE THIRD PARTIES? In a case with third-party defendants, cost shall be divided into three equal shares.

WHAT ARE THE NEUTRAL'S FEES? The neutral usually has a set fee, although the issue of payment may be part of settlement negotiations. The Court may review the reasonableness of the fee and enter any order modifying the fee.

HOW SHALL THE FEES BE PAID? Compensation shall be paid directly to the neutral upon the conclusion of the ADR process.

WHAT HAPPENS IF A PARTY CANNOT PAY THE FEE? If a party does not inform the Court of their inability to pay, and defaults on a payment, failure to pay the neutral shall be brought to the Court's attention. A Fee may be waived when a party requests the Court to appoint a neutral who has agreed to serve pro bono. That party must demonstrate a financial inability to pay all or part of their pro rata share. If the party demonstrates a valid inability to pay, the Court may waive all or part of a party's pro rata share of the neutral's fee. A neutral appointed to serve pro bono may apply to the Court for payment of that share of the neutral's fee waived for an indigent party, consistent with regulations approved by the Court. When so ordered by a judge, payment to the neutral shall be made by the Clerk from the Attorney Admission Fee Non-Appropriated Fund. Other parties to the case who are able to pay the fee shall bear their pro rata portions of the fee.